

SOVEREIGN BANCSHARES, INC.

	CPP Disbursement Date 03/13/2009	RSSD (Holding Company) 3269602	Number of Insured Depository Institutions 1		
Selected balance and off-balance sheet items	2009 \$ millions	2010 \$ millions	%chg from prev		
Assets	\$762	\$739	-3.0%		
Loans	\$535	\$443	-17.1%		
Construction & development	\$101	\$84	-16.6%		
Closed-end 1-4 family residential	\$35	\$26	-25.0%		
Home equity	\$8	\$7	-13.8%		
Credit card	\$0	\$0			
Other consumer	\$3	\$3	5.8%		
Commercial & Industrial	\$208	\$146	-30.0%		
Commercial real estate	\$138	\$134	-2.8%		
Unused commitments	\$104	\$94	-9.4%		
Securitization outstanding principal	\$0	\$0			
Mortgage-backed securities (GSE and private issue)	\$111	\$172	55.1%		
Asset-backed securities	\$0	\$0			
Other securities	\$28	\$84	205.7%		
Cash & balances due	\$12	\$5	-57.0%		
Residential mortgage originations					
Closed-end mortgage originated for sale (quarter)	\$0	\$0			
Open-end HELOC originated for sale (quarter)	\$0	\$0			
Closed-end mortgage originations sold (quarter)	\$0	\$0			
Open-end HELOC originations sold (quarter)	\$0	\$0			
Liabilities	\$675	\$652	-3.5%		
Deposits	\$612	\$583	-4.7%		
Total other borrowings	\$61	\$67	9.3%		
FHLB advances	\$60	\$59	-1.3%		
Equity					
Equity capital at quarter end	\$86	\$87	0.9%		
Stock sales and transactions with parent holding company (cumulative through calendar year)	\$18	\$0	NA		
Performance Ratios					
Tier 1 leverage ratio	11.2%	12.1%	--		
Tier 1 risk based capital ratio	14.4%	17.8%	--		
Total risk based capital ratio	15.6%	19.1%	--		
Return on equity ¹	3.1%	6.9%	--		
Return on assets ¹	0.3%	0.8%	--		
Net interest margin ¹	3.6%	3.6%	--		
Coverage ratio {(ALL+Alloc transfer risk)/Noncurrent loans}}	817.3%	4785.6%	--		
Loss provision to net charge-offs (qtr)	821.3%	-343.1%	--		
Net charge-offs to average loans and leases ¹	0.2%	0.1%	--		
¹ Quarterly, annualized.					
	Noncurrent Loans		Gross Charge-Offs		
Asset Quality (% of Total Loan Type)	2009	2010	2009	2010	
Construction & development	1.1%	0.0%	0.0%	0.0%	--
Closed-end 1-4 family residential	0.6%	0.6%	0.0%	0.0%	--
Home equity	0.0%	0.0%	0.0%	0.0%	--
Credit card	0.0%	0.0%	0.0%	0.0%	--
Other consumer	0.0%	0.6%	0.0%	0.0%	--
Commercial & Industrial	0.0%	0.0%	0.1%	0.0%	--
Commercial real estate	0.0%	0.0%	0.0%	0.1%	--
Total loans	0.2%	0.0%	0.0%	0.0%	--